

Ockley Parish Council Risk Assessment and Internal Control

Notes

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

- Identify the areas to be reviewed.
- Identify what the risk may be.
- Evaluate the management and control of the risk and record all findings.
- Review, assess and revise if required.

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Precept	<ul style="list-style-type: none"> • Adequacy of precept • Requirements not submitted to District Council • Amount not received by Parish Council 	<p>L</p> <p>L</p> <p>L</p>	<p>The District Council advises the Parish Council of the council tax base rate, which effectively is the amount of money that every £1 of Council Tax added to a Band D property, for parish purposes, will be expected to realise in any one year. To determine the amount of precept required by the Parish Council annually, the Clerk/RFO prepares a budget, taking into account all anticipated expenditure and projects to be developed, and any cash balances. The councillors, together with the Clerk determine from this the amount of precept for the following year. This is agreed formally by the councillors and the form received from MVDC is duly signed by two councillors and returned to MVDC in line with the stated deadline in January. The Parish Council are advised each year of the annual precept figure which is transferred directly into the Parish Council's bank account from MVDC in two equal payments. The Clerk formally advises the Parish Council of the receipt at the next available Parish Council meeting.</p> <p>A Concurrent Service payment and Council Tax Support Scheme Grant amount is included with the precept payment</p>	Existing procedure adequate
Financial Records	<ul style="list-style-type: none"> • Inadequate records • Financial irregularities 	<p>L</p> <p>L</p>	<p>The Parish Council has official Financial Regulations based on the NALC Model 2019 which set out the requirements and these are reviewed each year and updated where necessary.</p> <p>Cheques are raised by the Clerk and signed by two signatories and continue to be the main source for payments OPC now registered for online banking: email authorisation is sought by Clerk from account signatories. Cheques continue to be used.</p> <p>The accounts are audited by an internal auditor each year.</p> <p>Information is sent to an external auditor - details depending on income/expenditure during the year.</p>	Existing procedure adequate and reviewed annually
Bank and Banking	<ul style="list-style-type: none"> • Inadequate checks • Bank mistakes • Loss • Charges 	<p>L</p> <p>L</p> <p>L</p> <p>L</p>	<p>The Financial Regulations set out the requirements for banking, cheques and reconciliation of accounts.</p> <p>If the bank were to make errors in processing these would be discovered when the Clerk reconciles the bank current account each month.</p> <p>Any errors would be dealt with immediately by informing the bank and awaiting their correction.</p>	These matters are covered in the Financial Regulations - a copy of which is attached to this document
Cash	<ul style="list-style-type: none"> • Loss through theft or dishonesty 	<p>L</p>	<p>The Council has Financial Regulations which set out the requirements.</p> <p>The Council's insurance policy has a Fidelity Guarantee. There is no petty cash or float.</p>	These matters are covered in the Financial Regulations - a copy of which is attached to this document
Reporting and Auditing	<ul style="list-style-type: none"> • Information • Communication • Compliance 	<p>L</p>	<p>A monitoring statement is produced regularly and is circulated at the Parish Council Meeting.</p> <p>This statement includes a bank reconciliation, budget update, and a breakdown of receipts and payments balanced against the bank.</p> <p>Accounts subject to internal audit / external checks depending on income/expenditure during the year, in compliance with the Fidelity Guarantee. New arrangements for audit took effect 1 April 2017.</p>	<p>These matters are covered in the Financial Regulations - a copy of which is attached to this document</p> <p>The Parish Council is cognisant of the requirements of the Local Government Transparency Code which came into effect 1 April 2015 and has amended its website to provide the required information</p>
Direct costs and Overhead expenses	<ul style="list-style-type: none"> • Goods not supplied but billed • Invoice incorrect • Cheque payable incorrect 	<p>L</p> <p>L</p> <p>L</p>	<p>The Council has Financial Regulations which set out the requirements.</p> <p>At each Council meeting the list of invoices awaiting approval is distributed to Councillors, and considered.</p> <p>Two Councillors are nominated to check each invoice against the cheque book and associated paperwork and initial the invoices. Council approves the list of requests for payment.</p>	Existing procedure adequate.

Direct Costs and Overhead Expenses	<ul style="list-style-type: none"> Cheque payable to wrong party Loss of stock Unpaid invoices 	L L	The Council has no stocks. None	
Grants - payable	<ul style="list-style-type: none"> Power to pay Authorisation of Council to pay 	L	No grants are payable	Existing procedure adequate.
Grants - receivable	<ul style="list-style-type: none"> Receipts of Grant 	L	The Parish Council does not presently receive any regular grants. One off grants would come with terms and conditions to be satisfied.	Procedures would be put in place if required in future.
Rentals receivable	<ul style="list-style-type: none"> Receipt of rental Insurance implication 	L M	The Parish Council does not have any rents receivable. Not applicable	Procedures would be put in place if required in future.
Best value Accountability	<ul style="list-style-type: none"> Work awarded incorrectly Overspend on services 	L M	The Council has financial regulations which set out requirements. Including to seek, if possible, more than one quotation. For major contract services, formal competitive tenders would be sought.	Existing procedure adequate. Include when reviewing Financial Regulations.
Salaries	<ul style="list-style-type: none"> Salary paid incorrectly Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue 	L L L L	The Parish Council has one employee. Salary rates are based on the National Association of Local Councils and Society of Local Council Clerks pay scales as published each year. Payroll produced by Mulberry each month for Clerk's salary/tax. The payments are approved at the Council meetings and signed off. Tax sorted by Mulberry and Co which is paid by Parish Council The Clerk does not keep a time sheet and has a contract of employment and job description.	Existing appointment and payment system is adequate
Employees	<ul style="list-style-type: none"> Loss of key personnel Fraud by staff Actions undertaken by staff 	L L L	Locum clerk can be arranged if clerk is off for a long period of time Laptop backed up by Cloud produced by Helpdesq The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Existing procedure adequate.
Employers Annual Returns	<ul style="list-style-type: none"> Submit within time limits 	L	1. The Employer's Annual Return is completed and submitted online by the clerk to HMRC within the prescribed time frame. 2. An annual return is also completed and signed by the Council for submission (if required) to the external auditor for completion after checking by the internal auditor. Type of return for external auditor depends on income/expenditure throughout the year.	Existing procedures adequate
Councillors	<ul style="list-style-type: none"> Allowances Councillors over-paid 	L L	No allowances are allocated to Parish Councillors	No procedure required
Election costs	<ul style="list-style-type: none"> Costs Risk of an election cost 	L	There has been no election recently but if and when there is there would be cost implications Risk is higher in an election year. When an election is due the Clerk to obtain an estimate of costs for a full election and an uncontested election.	Existing procedures adequate

Data protection	<ul style="list-style-type: none"> • Non compliance 	L	The Council is registered with the Data Protection Agency. Registration number Z1400852 GDPR May 2018- The Council appointed a Data Protection Officer and has discussed / implemented recommendations as set out in a Data Mapping Exercise dated May 2018	Ensure annual review of registration Renewed July 2021
Freedom of Information	<ul style="list-style-type: none"> • Non compliance with the Act • Publication Scheme 	L M	The Council has a model publication scheme for Local Councils in place. There have been no requests for information to date but the Clerk is aware that if a substantial request arrives then this may require many hours of additional work. The Council is able to request a fee if the work will take more than 15 hours but the applicant also has the right to re - submit the request broken down into sections, thus negating the payment of a fee.	Monitor and report any impacts of requests made under the F of I Act
VAT	<ul style="list-style-type: none"> • Maintain records and VAT receipts • Reclaim within time limits 	L	The Council has Financial Regulations which set out the requirements	Existing procedure adequate
Training	<ul style="list-style-type: none"> • Lack of training can lead to incorrect decisions being taken 	L	The Clerk should be provided with relevant training, reference books, and access to assistance and legal advice required to carry out the role. Parish Councillors should also be provided with training wherever applicable (whether new training or refresher training). The PC is a member of SALC, which is a source of information/training for many aspects.	Clerk and Councillors to consider training periodically, and as part of appraisal. Training opportunities circulated to councillors
Legal Powers	<ul style="list-style-type: none"> • Illegal activity or payments 	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council Meetings.	
Minutes/Agendas/Notices Statutory Documents	<ul style="list-style-type: none"> • Accuracy and legality • Business conduct 	L L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements. Business conducted at Council meetings should be managed by the Chair.	Existing procedure adequate. Guidance/training to Chair should be given (if required). Members to adhere to Code of Conduct.
Members interests	<ul style="list-style-type: none"> • Conflict of interest • Register of Members interests 	L M	The declaring of interests by members at a meeting should be an obvious process to remind Councillors of their duty and should remain on the agenda. Code of Conduct requires register of interests by members and this is available by contacting Mole Valley District Council at Pippbrook, Dorking, RH4 1SJ	Members take responsibility to update their Register.
Insurance	<ul style="list-style-type: none"> • Adequacy • Cost 	L L	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for.	Existing procedure adequate. Review insurance provision annually before premium paid in March
Assets	<ul style="list-style-type: none"> • Loss or Damage • Risk/damage to third party(ies)/property 	L L	An annual review of assets is undertaken for insurance provision, storage and maintenance provisions.	Existing procedure adequate.
Maintenance	<ul style="list-style-type: none"> • Poor performance of assets or amenities • Loss of income or performance • Risk to third parties • Play Area 	L L L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned/authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually. All public amenity land (mainly the play area - see below) is inspected regularly. The play area behind the Village Hall is inspected weekly and a log of inspections is kept.	Existing procedure adequate. Ensure inspections carried out. Annual inspection carried out as organised by MVDC

			Any work required for health & safety reasons is carried out as soon as practically possible.	Latest annual report received November 2023
Notice boards	<ul style="list-style-type: none"> Risk/damage/injury to third parties 	L	The Parish Council has a notice board in the village. The location has been approved by relevant parties and it is inspected regularly by the Clerk any repairs/maintenance requirements brought to the attention of the Parish Council.	Existing procedure adequate. Notice board at end of School Lane in good condition
Street furniture	<ul style="list-style-type: none"> Risk/damage/injury to third parties 	L	The Parish Council is responsible for various items (i.e. bins, village pump, etc.) around the village. These are covered by insurance. There is a formalised programme of inspections and all reports of damage or faults are reported to Council and dealt with.	Existing procedure adequate.
Meetings	<ul style="list-style-type: none"> Location Adequacy Health & Safety 	L M	The Parish Council Meetings are held at the Village Hall or the cricket pavilion	Existing locations adequate.
Parish Council official records and papers	<ul style="list-style-type: none"> Loss through: theft/fire/damage 	L	The Parish Council records are stored at the Clerk's address. Records include historical correspondence, minute books and copies, records such as personnel, insurance, salaries etc. Some older records are kept at the Surrey History Centre at Woking.	Damage (apart from fire) and theft is unlikely and so provision is adequate
Electronic Records	<ul style="list-style-type: none"> Loss through: theft, fire, damage Corruption of computer 	L M	The Parish Council's electronic records are stored on the Clerk's computer. Back-ups of the files are taken at regular intervals Cloud backup set up by Helpdesq.	Pay monthly for Cloud backup.

To be approved at the Parish Council Meeting held on 13th May 2024

Signed: Chairman